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*See Back Page !*

# THE FEDERATION OF BRITISH INDUSTRIES



## WHAT IT IS

*"In size a giant, stalking through thick fog,  
His sheep like Greenland bears."*

THE Federation of British Industries is the spokesman of industrial capitalism. It is a federation of big firms and industrial associations with the object of forming a high-pressure lobby for "free enterprise." Calling itself, "The G.H.Q. of British Industry" (a view somewhat unflattering to the banks), it embraces "the greater part of Britain's productive industry." According to the F.B.I. Register 1947-48, it is concerned to "serve industry, and, in so doing, to serve the nation's interests." Exports are one objective; another "to provide an effective machine whereby organised industry can make its voice heard by the Government and the public." It has "maintained close contact with Governments, whatever their political colour; it has also established intimate and friendly relations with permanent officials of the Ministry."

The F.B.I. is housed in the same building as the British Employers' Confederation which deals with wage questions, and with which the F.B.I. has "intimate and continuous consultation." Indeed in 1946 a decision was taken to merge the two organisations, though fusion has not yet taken place.

We need not really doubt the objects of the F.B.I. Its concern is the preservation of profits—its watchword "the national need."

Formed in 1916, it had by 1920 a membership of 1,401 firms and associations, and was claiming that "the position of the F.B.I. as the organisation representative of the whole of British industry was henceforth unassailable."

"Unassailability" grows; it now has affiliated to it 280 Trade Associations and 6,000 firms; 227 of its member-firms employ over 2,000 workers each and 350 between 700 and 2,000.

## WHO IT IS

*"The rich arrive in cars, and also in Rolls Royces,  
They talk of their affairs in loud and strident voices."*

THE leaders of the F.B.I. at any time reflect the driving, dynamic force of British industrialism. In 1918, when it was formed, it drew its leaders from coal, cotton and steel. The old nineteenth-century basic industries were the core of the Federation; well they might be—they were still the core of British industrialism.

The rise of new industries like chemicals has altered the balance of power in British industry and this is reflected in the present membership of the Federation's Grand Council.

The President is now Sir Robert Sinclair of the Imperial Tobacco combine; he succeeded Sir Frederick Bain of Imperial Chemical Industries in 1949. Sinclair is a forthright man and works for moneyed men; but tobacco does not carry the guns of chemicals.

The Grand Council consists of over 300 persons; 121 are nominated by 47 industrial and trade panels. Iron, steel and engineering groups—23 of them—elect 61 delegates. Textiles and clothing elect 16. Chemicals, though they have important personnel in the F.B.I. elect only 4. Building materials and timber elect only 7, oils and paints 5, paper and printing only 3. But banking, insurance and commercial services elect only 3.

For the rest, the members of the Grand Council are nominees of the network of Trade Associations which exist in this country; the list covers the British industrial field; the iron and steel, cement, machine tool, B.E.A.M.A. shoe, clay, print, electric lamp manufacturers, tyres, zinc federations and so on. The men who run the F.B.I. are clearly intimately sunk in the atmosphere of the Trade Association technique. Among the many are a few whose names stand out as having some national reference: Verdon Smith (Society of British Aircraft Constructors); Sir Alexander Stephen (Shipbuilding Conference); Sir Norman Vernon (Millers' Mutual Association); K. S. Peacock (B.I.S.F.); Sir William Rootes (motor cars and lorries panel); The Hon. R. G. Lyttelton (hardware, holloware and metal smallwares panel); Sir Lyndon Macassey (British Internal Combustion Engine Manufacturers' Association); W. A. Lee (Mining Association of Gt. Britain); V. Z. De Ferranti (electrical engineering and equipment panel); and no doubt one should add W. C. Gaymer (National Association of Cider-makers).

## “ BEGIRT WITH THE BRITISH AND ARMORIC KNIGHTS ”

THE past Presidents, who have a right to sit on the General Council, include Sir Clive Baillieu, the Australian magnate, head of base metal imperial corporations, on Dunlop Rubber and the Midland Bank; Lord Barnby, woollen textile chief and on Dawnay Day, the merchant bankers (and, once, the Central Electricity Board); Sir George Beharrell of Dunlop Rubber Co. Ltd.; Sir Peter Bennett of I.C.I., Joseph Lucas and Lloyds Bank; Lord Ebbisham of Blades, East & Blade (the printers); Lord Dudley Gordon of J. & E. Hall & Hadfields (Industrial and Commercial Corporation) and Barclays Bank; Sir Francis Joseph of Birmingham Small Arms, Blaw Knox Ltd., Rio Tinto Co. Ltd., Settle Speakman & Co. Ltd., Midland Bank, Lloyds, etc.; Lennox B. Lee, of the Calico Printers Association, etc.; Sir James Lithgow, steel and shipbuilding (the nominee on the Grand Council of the British Iron and Steel Federation), (Mr. Henry Lithgow, his brother, who died recently, left £1,972,784), Sir George Nelson of English Electric.

Among these ten, it will be noted, bank directors are few—two are in the Midland, one on Lloyds Bank, one on Barclays. Dawnay Day is present and Sir James Lithgow is an extraordinary director of the Royal Bank of Scotland. This reflects a division of labour among the capitalist leaders of finance and industry, not a split inside the central oligarchical cove. The F.B.I. represents the industrial wing, but also it stands apart even from the “accountant” heads of firms, the men from the Pru or the banks, who have moved into many firms after the depression. The F.B.I. industrialists stand, even in their late fifties or sixties, some of them salaried men, the servants of the big shareholders (often financial institutions); others the remnant, who still own the bulk of the shares in their firms, knowing that, unless they are very wary, when they die their companies too will become the plaything of the moneylenders and insurance companies.

### HOW IT WORKS

*“He had forty-two boxes, all carefully packed,  
With his name painted clearly on each.”*

SUBSIDIARY to the Grand Council is a President's Advisory Committee and a Finance Committee, and a General Purposes

Committee which has, in turn, six subsidiary bodies, as follows : (1) the General Secretary's Department, which deals with trade organisation, and is responsible for the affairs of the head committees ; (2) the Economic Department, which deals with industrial agreements, statistics, and, *ad hoc*, with E.R.P., Resale, Price Maintenance and Trade Practice ; (3) the Overseas Department which handles Exhibitions, overseas publicity, and packaging, and has panels on Latin America, India, Russia, China, Germany and Japan ; (4) the Technical Department which deals with Fuel and Power Consumers' policy, Transport Users' policy, technical legislation, location of industry, taxation (purchase tax, rating, etc.), contracts, Company Law, research, education, industrial art ; (5) the Membership Department : there are ten Regional Councils which are represented on the Grand Council and Committees ; (6) most recent addition is a Publicity Department.

This outline of the organisation gives also some idea of the content of the work. The staff organisation corresponds to the same somewhat dreary character. The Director-General is Sir Norman Kipping, the Adviser Sir Guy Locock. While Locock, Kipping's predecessor who guided the F.B.I. for the inter-war and war years had some public school and Varsity education and belongs to a club or two, Kipping is of the more modern type of the business bureaucracy. He was a research engineer, crossed to personnel when the slump came, had a Regional Officer's job during World War II and now lives at Amersham.

There is a General Secretary, Deputy Director-General, Overseas Director, Economic Director, Technical Director and a number of assistants—in all, some 40 heads of departments, secretaries and assistants, with 90 overseas representatives and 24 officers in the regions.

In 1949 it is estimated that the F.B.I. will have spent £142,000 on salaries and wages, £8,500 on postage, £12,000 on travel and entertainment. The bulk of this amount is found by subscriptions from members ; these are allowable for income tax and profits tax.

The F.B.I. has been used to expressing its policy by direct contact with the Government. These contacts were easier and more secret when there was a Tory or National Government in control ; they have been more open under the Labour Government which has, up to a point, found in the F.B.I. the necessary



organ of negotiation with non-nationalised industry. In the Appendix we give a list of leading industrialists who are F.B.I. nominees on Government and other outside Committees.

## WHAT IT TRIES TO HIDE

*“Unswayed by gift of money,  
Or privy bribe, more base,  
Of knowledge, which is profit,  
In any market place.”*

WITHOUT information about industrial production, etc., planning cannot take place, nor can a full employment policy be pursued. With such an enormous apparatus at its disposal, the F.B.I. is in a unique position for supplying information to the Government. In fact, it has always fought the publication of statistics on production and incomes.

“The last and most discreditable failing of British official statistics relates to the figures of industrial profits. The publication of these was strongly urged both by the Balfour and Macmillan Reports, and the Inland Revenue wised to undertake it. This publication was very strongly resisted, however, by the Federation of British Industries, which complained quite candidly that they did not wish the true figures of industrial profits to be quoted against them in wage negotiations, and so the Inland Revenue abandoned the idea of publication. This piece of deliberate obscurantism requires to be known.” (*The National Income of 1924-31*. Colin Clark.)

The F.B.I. is still fighting a rearguard action. The Reports for 1946 and 1947 show the attitude adopted. The suggestion from the Board of Trade to initiate enquiries for a comparison of current and pre-war productivity was referred back. “The time was inappropriate” for giving the Board of Trade information quarterly on capital expenditure. In the 1946 Report we find the F.B.I. urging that “statistics for the war years should not contain detailed analyses of costs.” On the 1946 Statistics of Trade Bill, it stated that :

“The Bill cannot fail to impose an extremely onerous burden on industry unless the powers granted are exercised with a full and sympathetic understanding of the many problems and difficulties facing British Industry.”

Subsequently the Federation secured the postponement of the first full census of production under the new procedure until 1949.

## WHAT IT DID IN THE PAST

*"Twenty years largely wasted, the years of l'entre deux guerres."*

THE old-time cotton, coal and iron bosses never took politics seriously—they might make their younger sons Under-Secretaries to keep them out of mischief, but their general attitude was summed up by Shaw's Undershaft. "Government of your country! Be off with you, my boy, and play with your caucuses and leading articles and burning questions and the rest of your toys. I am going back to my counting house to pay the piper and call the tune."

Post-1919 history changed all that. The post-war slump, the collapse of the old basic industries, 3,000,000 unemployed and the depressed areas, the rise of new light industries, the growth of the Trade Union movement were all factors which encouraged a change of tactics. The growth of the F.B.I. and its deliberate, organised attempts to influence Government policy are the result.

Between the two wars a large part of Government policy was F.B.I. policy. The policy of restriction of production, the policy of tariffs, the taxation and rating policy of Chamberlain were all a reflection of the way members of the F.B.I. thought.

## AT HOME

*"And it all goes into the laundry,  
But it never comes out in the wash."*

PESSIMISM has been the prevailing note of the F.B.I.; apart from its general argument that costs were too high and that wages should come down one finds a general fear of expansion. In 1935, we find it writing:

"We are no longer living in 'an expanding world' but in 'a contracting world' . . . The notion favoured by economic theorists, of an economic community capable of more or less unlimited expansion in its standard of living, seems incapable of realisation in practice. . . . Recovery is, in fact, still superficial rather than fundamental."

(F.B.I. *Business Barometer*.)

With this sort of outlook, no wonder nothing much was done by the F.B.I. to expand production (more was done by the bankers to push them around, especially when it came to rearmament); this fits closely with the closed shop type of mind, this association—fixed price—cartel outlook. Of course, both Russian and United States and British post-war experience has shown

what potentialities were sapped by this negative attitude. The results were acidly described by *The Economist* just before the end of the peace.

“The tendency of economic policy in recent years . . . to the handicap of wages higher than many of our competitors pay we have added the further handicaps of high and rigid prices for coal and steel and enhanced transport charges. One after the other, our export industries are asking for subsidies either out of the public purse or out of the pockets of the home consumer. It is time the public realised that the need for these subsidies arises directly out of the economic policy pursued by British Governments in the past decade. We earn a substantial part of our living by converting raw materials, which we buy from others, into manufactures which we sell to others. We cannot expect to stay in business if we charge more for the service of conversion than others.”

(*Economist*, December 24th, 1938.)

This was the result of Tory-F.B.I. rule ! Subsidies, rigid prices, draining of our life blood. If the Tories come back we can expect to see a repetition of the conditions, with 1½ million unemployed before the war\* when the Government and F.B.I. were close. Indeed, the signs are clear ; before the end of the war the F.B.I. published its plan for cartellisation, which it has since pushed under the name of “self-government” for industry. In 1947 the F.B.I. Memo. to the Government urged cutting down of investment in industry—cutting down of labour-saving tools !

*“Arid, aloof, incurious, unthinking, unthanking, gelt.”*

## ABROAD

*“Little birds are teaching  
Tigresses to smile  
Innocent of guile.”*

WHEN it came to foreign policy the same tendency showed itself. Chamberlain's political appeasement was paralleled by the F.B.I.'s industrial appeasement. The motive was the same—to sidetrack a dangerous rival by inciting him Eastward. Shortly after Munich, in the autumn of 1938, the F.B.I. opened trade conversations with Germany. In March 1939 a F.B.I. delegation went to Germany for discussions. It was led by Sir William Larke (British Iron and Steel Federation) and included Peter

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\*The policy is excellently described in Ernest Davies' *National Capitalism* (Gollancz).



Bennett (then F.B.I. President, on I.C.I. and Joseph Lucas Ltd.), A. C. MacDairmid (Stewarts & Lloyds, Tube Investments) and J. L. Ferguson (Unilever). During the talks Hitler invaded Czechoslovakia, but the talks went on and an agreement "in principle" was reached for economic co-operation and a joint export drive which "would provide a volume of foreign currency sufficient for the needs of both countries," i.e., would give Germany the cash it needed for her war imports. The agreement was not immediately ratified because of public outcry, but it was never rescinded. The possibility of further talks was authoritatively mooted throughout the summer of 1939 until Hitler's armies put paid both to Chamberlain and the F.B.I. appeasers.

In those days the F.B.I. was helping the way forward for German expansion in South East Europe and South America—at the expense of the U.S.S.R. and the U.S.A. That was then ; but there is evidence that the F.B.I. is still of the same mind. Only eighteen months ago it was arguing that German industry should be rebuilt. At the same time, however, British industrialists have been acquiring the patents of German industry and, under the guise of reparations, certain key machines which they need. But, like the Bourbons, they neither learn or forget. The warning of their own poet still stands :

*"But count who comes for the broken meats before thou  
makest a feast."*

## WHAT IT DOES NOW

*"He would joke with hyænas, returning their stare,  
With an impudent wag of the head."*

"THE FEDERATION," said Bain on May 10th, 1949, "is not a political body." This is the standpoint that it has maintained for thirty-three years. It has, however, had a policy, as we have seen from its past record. The return of a Labour Government left the F.B.I. temporarily baffled and the technique has been to play for time, to let the Government have its head, and to play ball generally, hoping to save something from the wreckage if only freedom of future action. The President made the point in 1948 when he said :

"We realise that for a period, at any rate, there may have to be a general overall direction of our economy laid down by Government after consultation with industry. We believe that Government must state clearly the main lines of its

industrial and financial policy and indicate to the various sections of industry the results they are expected to produce. . . . But we believe finally that there must be developed a system by which industry may adopt voluntarily and in consultation with Government, its own methods to carry out that policy, so that it may substitute flexible methods for the rigid strait-jacket of the statutory control. . . ."

It was this technique that explains the docility with which the F.B.I. swallowed dividend limitation, the ban on bonus issues and Treasury control over industrial stock-juggling. Like Brer Fox, it was lying low.

Instead of fighting "with red-white-and-blue rosettes," says a sympathetic article on the F.B.I. in *Scope* (October 1949):

"The F.B.I. has chosen the alternatives of pretending that to the matters which concern it, party politics are irrelevant or ought to be. Measures, legislative or administrative, which the Government adopts because they are Socialist have to be assumed the result of innocent misunderstanding or remediable ignorance: all can be put to rights by reasonable representations, if only party politics are kept well out of it."

The signal for a change of front was the Steel Bill. "The assault on the Steel Bill fell on a front-line cohort in the F.B.I's ranks," remarks *Scope*, and the reaction was immediate and uncompromising.

Sir Frederick Bain, the retiring President, set the pace in his speech to the 1949 Annual Meeting:

"Nationalisation of a great basic industry, such as steel, vigorous in its plans for development, efficient in its conduct, alive to the needs for scientific research, and enjoying harmonious relations between its management and its workers, is something far transcending party politics, and affects the well-being of our whole economic life. Other important industries appear to be similarly threatened. In such circumstances we should be betraying our trust if we failed repeatedly and emphatically to raise our voices in protest."

And this was followed up by the new President, Sir Robert Sinclair:

"I believe in stating with all the emphasis at our command and on every possible occasion the case against nationalisation—State ownership, or State management in any degree, including, of course, State control of what are generally called the terminal markets—the cotton market, the metal market, and so forth."

(*Financial Times*, 2.6.49.)

## F.B.I. AND TORIES

*"In a room apart sit the examiners and their clerks,  
Where you can square the circle—or the man who gives the marks."*

SINCE then this "non-political" body has been taking a line which is indistinguishable from that of the Tories—or rather the Tories have been obediently following the line of the F.B.I. Let us compare the following statements :

### On controls :

"The rigidity of the planning of our economic life should be relaxed. Controls have undoubtedly been reduced in number but more could be abandoned." (F.B.I. statement on Economic Crisis. *F.B.I. Journal*, September 1947.)

"We shall seek every opportunity to reduce controls."

*(Right Road for Britain.)*

### On lower taxation and reduced Government expenditure :

"The Federation is fighting and will continue to fight relentlessly against the intolerable burden of taxation which industry has to bear. The root cause is excessively high Government expenditure, and I think we must never let up in our attack on that." (Sir Robert Sinclair, F.B.I. President, in a speech quoted in *Voice of Industry*, August 1949.)

"We shall cut Government expenditure. We shall cut out the extravagance and waste which has been allowed to run through the whole administration." *(Right Road for Britain.)*

### On Profits Tax :

"At present the tax gatherer collects 8s. out of every £ that the nation produces. Profits are taxed even more heavily than this, and no opportunity is left to create adequate reserves."

*(F.B.I. statement, ibid.)*

"Sir Stafford announced . . . that the tax on distributed profits would be increased immediately from 25 per cent. to 30 per cent. . . . Its economic effect can only be to take from industry funds which would otherwise be available for the replacement and re-equipment of plant and machinery."

*(Tory Campaign Guide, p. 43.)*

### On free enterprise :

"The spur of competition is still the most effective aid to efficiency." (F.B.I. statement, *ibid.*)

"We believe that free enterprise is necessary to ensure independence and efficiency." *(Right Road for Britain.)*

On "ignorance" about profits :

"The man in the street looks on business profits as a kind of 'holiday fund' which can be drawn on without any real hardship to the business." (Sir Frederick Bain, retiring F.B.I. President at the 1949 Annual Meeting.)

"A large part of the population think that profits are what might be called 'money for jam.' (Lord Brand, quoted in the Tory Campaign Guide.)

Evidently, it is still the people in the counting house who call the Tory tune.

## THE HOT-GOSPELLERS

*"The truthful, well-weighed answer  
That tells the blackest lie."*

THE attachment of the F.B.I. to its twin fighting pups, the Aims of Industry Ltd. and the Economic League, is shown in the letter issued in January 1948 in which it addressed its members as follows :

"The Federation has for some months had under consideration the steps that it should take to inform the public of the achievements and advantages to the country of private enterprise. At one stage we pursued the idea that we should ourselves undertake this work by adding suitable experts to our own staff. Finally, however, it was felt preferable to encourage such work through existing independent organisations. I am now writing to inform you that the Federation has examined the work carried out in the past by the Economic League and Aims of Industry Ltd., and is satisfied that these non-party, educational organisations are doing good work and have effective plans for the future. It is also satisfied that each covers separate specialised fields and that their spheres do not overlap. If private enterprise wishes to see these organisations conduct a thorough, nation-wide educational campaign, they will have to be very liberally financed. The Federation invites its members to make their own approach with a view to giving them the strongest possible support."

The F.B.I. is the back-room boy, the Economic League and Aims of Industry are the hot-gospellers.

## THE ECONOMIC LEAGUE

*"Where the blindest bluffs hold good, dear lass,  
And the wildest tales are true."*

The purposes of the Economic League are two-fold. Whilst noisily against the Labour Party and against Communism, its

fundamental programme is the defence of the capitalist system, the system of "private enterprise" as the F.B.I. has it.

Its published objects originally were :

"To disseminate economic knowledge, particularly : (a) to combat the fallacious economic doctrines of collectivism, Socialism and Communism ; (b) to uphold individual freedom, enterprise and initiative."

Its objects now are :

"The dissemination of facts. The Economic League believes that facts are the basis of sound economic education. Lack of knowledge and misunderstanding constitute a threat to industrial peace and co-operation. The individual who is 'in the picture' and educated in economic facts is responsive to good leadership and proof against subversive agitation."

"Relentless opposition to all subversive movements, whether of the extreme right or the extreme left. The League fights them in two ways, by exposure of their intentions and by the sound facts that refute false doctrines."

"Encouragement of free enterprise. The lesson of history is that the greatness of a nation is founded upon the energy and enterprise of the individual man and woman. It has taught us also that only where there is personal freedom is the individual fully energetic and fully enterprising."

"The education of youth and the teaching of good citizenship. In the past three decades we have lost the whole of one generation of our youth and part of another on the field of battle. For this reason there has never been a greater need for the training of youth, in whose hands lies the future of the nation."

"Opposition to further extension of State control. The League opposes nationalisation because it believes economic experience has shown that free enterprise produces better results. When an industry or service has been nationalised by the will of the people expressed through a Parliamentary majority, the League's task is to play

(Report of 1949.)

So we see that actually its objects have been the same all through. Propaganda in the form of "education," of dissemination of "facts"—on behalf of capitalist "free" enterprise, which means, of course, in fact, the trustified feudal oligarchy which runs British capitalism ; opposition to Communism and to Labour policy. It stands for freedom of capitalism, i.e., for the freedom of the big company director, for the hundred-and-twenty or so big bosses who run the few combines that in fact dominate our economic life. If they can stop nationalisation—



i.e., even the beginnings of public control—they will have won the first round, and if they now separate their opposition to Communism and Labour into two paragraphs instead of lumping them together, this is because they have learned the advantage of “divide and rule.”

The League is very active and obviously has plenty of money to spend. In 1948 it had a paid staff of 92 ; it had 31 vehicles and distributed 9½ million copies of 24 leaflets. It held 44 meetings and 144 group talks a day ! This it called “the necessary routine for training the citizens of a free industrial society.” It devotes particular attention to bamboozling the minds of youth with this routine—so necessary to the employer. It opposes unofficial strikes—the right to stop work is not, apparently, part of the “routine of freedom” under capitalism. It got in 1948 no less than 25,300 column inches of space in the Press.

As regards youth, its latest Report states :

“The League has recently intensified its youth activities. The Central Council employs a full-time Youth Liaison Officer, whose function it is to organise, through our Areas, the training of those who work among youth in a technique of leading broad-minded unbiassed discussion on the fundamental principles and responsibilities of citizenship. . . .”

The President of the Economic League is Sir Walter Benton Jones, born 69 years ago ; educated at Repton and Trinity, Cambridge, he lives now in a Hall near Grantham. He is chairman of United Steel Companies Ltd., so no doubt he feels strongly about steel nationalisation ; he is Vice-President of the Mining Association of Gt. Britain (though what do they do ?). He is on 17 companies, including Stewarts & Lloyds, Wellman Smith Owen Engineering Corpn., Davy & United Engineering and Westminster Bank, one of the “Big Five.”

The Vice-Presidents are, first, Lord McGowan, who was (to do him credit) born in Glasgow 75 years ago. He is the head of the giant combine Imperial Chemical Industries Ltd. He is on African Explosives & Chemical Industries ; on Canadian Industries Ltd. ; International Nickel Co. of Canada and the Midland Bank—another of the Five Banks. Second, there is Lord Riverdale, who was Arthur Balfour, Sheffield steel boss (managing director of Arthur Balfour & Co., on High Speed Steel Alloys, Halifax Building Society—another local branch of another of the Big Five—National Provincial Bank). He has

a "Grange" near Sheffield and a place in Sussex. He is 76 ! Third, there is Sir Alan Sykes, who is a bachelor of 81, and who, educated at Rugby and Oriel College, Oxford, has come to be the Chairman of that formidable trust, the Bleachers' Association Ltd. The fourth of the Vice-Presidents is Lord Iliffe, a 72-year old newspaper proprietor ; he owns or controls the *Birmingham Post* and *Birmingham Mail* and *Coventry Evening Telegraph*. He is a member of Lloyds, the insurance people, a director of Alliance Insurance and on Manor Powis Coal Co. He has a house in Berkshire and another address in Carlton House Terrace.

The Chairman of the Economic League is Clive Cookson, an industrialist of the North East Coast, on Consett Iron Co. Ltd., and Chairman of the F.B.I. District Board. The Hon. Treasurer is W. A. Lee, who had a long and notable career as Secretary of the Mining Association of Gt. Britain.

The leading officials are Colonel R. R. Hoare, the Director since 1945, educated at Beaumont College, Windsor, a distinguished soldier in both of the world wars—he is still only 52—and a member of two Clubs, Cavalry and Bucks ; and the Secretary is a Major T. G. Gribble, who is described—it is a harmless foible—as F.R.Econ.S.

The Council consists of thirty-three notables in industry, Parliament and publicity. There is the Earl of Malmesbury, the 5th Earl, born in 1872, Hon. Treasurer of the Anti-Socialist Union since 1917, who owns 4,000 acres ; there is Lord Rochdale, still in the forties, with a good war record, educated at Eton and Trinity, now a director of Kelsall & Kemp Ltd., chairman of Algiers Land & Warehouse Co. Ltd., and two other companies ; there is Sir Waldron Smithers, M.P., who annoys the Tories by saying what they think. There is J. Baker White, who had a long connection with the Economic League until he became Tory M.P. for Canterbury in 1945, and was with Political Intelligence Dept. of the War Office and Political Warfare Mission in the Middle East 1939-45 ; a controversialist of some merit. There is Col. Hutchinson, Tory M.P. and shipowner ; there is that veteran publicist Sir Harry Brittain, born in 1873, old tariff reformer, Tory M.P. (1918-29) and newspaper man, the record of whose fussy life takes ten inches in *Who's Who*. There is the expected scattering of industrialists—a director of Waring & Gillow and G. & E. Dewhurst, a director of Gresham

& Craven, key engineering firm, of Alfred Holt & Co., of Newton Chambers & Co. There is W. L. Runciman, the shipowner, educated at Eton and Trinity and on Lloyds Bank, son of the Runciman of the Czechoslovak Mission of 1938. There is the Colonel Hugh Spens, a Glasgow solicitor, director of the Burma Oil Co. Ltd. and Union Bank of Scotland Ltd., etc.; he fought in Gallipoli and France in the 1914 war and is now a member of the Royal Company of Archers. There are directors of a brewery, of cotton companies, a laundry, a foundry and so on.

Mr. Baker White, in his speech on Mr. Bing's motion, 15th December, 1949, claimed that while the Economic League was opposed to Communism, it

had no association with party politics.\* It has never received any money from party political funds. There is no secret at all about the sources of its funds. There is no secret now and there never has been. Its money is received from industrial federations, firms and private individuals who support its aims and its work. . . . Now I come to the balance sheet and statement of accounts. They are audited and laid on the table at the annual meeting of the league's various corporate bodies, and are open to inspection by any of its supporters at any time in the year.

But it opposes nationalisation :

I turn now to the Economic League's attitude to nationalisation, which is of some importance. It has always been opposed to nationalisation. It opposed the nationalisation of mining royalties. . . . It opposed the centralisation of London Transport . . .

These people do not give their names and their time, the F.B.I. does not appeal for funds or the big subscribers put up the money for a body like the Economic League unless it does what they want. It represents their point of view among the workers, in the Unions. "It gives the facts," but facts which please the coalowners, steel men, engineering bosses and cotton people (and the old school tie men) who are predominant in its controlling make-up.

## AIMS OF INDUSTRY LTD.

*"The last of the crew needs especial remark,  
Though he looked an incredible dunce."*

AIMS of Industry describes itself as :

"an industrial public relations organisation, maintained by the subscriptions of firms, big and small, throughout the country.

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\*Indeed, its officers will go into a sort of purdah during the Election—unlike other citizens (see his speech).

It is non-profit-making, has no connection with any political party, and exists to interpret the part played by Industry in our National Life."

Aims of Industry has been responsible, among other things, for the anti-nationalisation propaganda on the Tate and Lyle sugar packages.

The Annual Report of the Council 1948-49 presented in October 1949 says, *inter alia* :

"The Editorial Division is responsible for carrying the message of free enterprise into every home of the country through the medium of the Press and broadcasting. Between August 1948 and August 1949, national and provincial newspapers published a total of 87,305 column inches of material issued by the Editorial Division in the form of articles and news stories. The purpose of this material has been to proclaim the efficiency of free enterprise. Our success in this field has been outstanding, and can be judged by the fact that if published material were reprinted, to the exclusion of all other news and advertising, a six-page edition of the *Daily Telegraph* would be filled for 83 days! More than 300 newspapers and magazines are now publishing our editorial material regularly. Their combined circulations total many millions, so it will be seen that our message is reaching not only the worker but his wife. In addition to this general campaign on behalf of free enterprise, the Editorial Division has launched a vigorous Press attack on the plans to nationalise sugar, steel, meat wholesaling and importing, cement and water. Factual pamphlets directed to the housewife, Members of Parliament and the T.U.C. have been written and distributed by the million. Notable among these has been our 'Memo. on Sugar' to the Labour Party Conference at Blackpool and a "Memo. on Meat" to the T.U.C. at Bridlington. In the fight against State sugar it was found necessary to introduce a cartoon character known as 'Mr. Cube.' The purpose of 'Mr. Cube' is to catch the public eye. Until he appeared on sugar packets, pamphlets and in the Press, the public generally did not even seem aware that nationalisation of sugar refining was contemplated."

There is also an Educational Division, Public Relations division, a distribution network for recorded discussions, a film library service and mobile film vans.

"95% of our meetings are now to organisations where no political speaker would be acceptable. 75% are to lower wage groups."

"Since August 1948 to date, Aims of Industry have provided speakers, facilities, contacts, scripts and ideas for a total of 63 broadcasts on industrial and allied subjects on the Home and Light programmes."

"Regarding the future raising of funds to cover the ever-increasing activities of Aims of Industry, an appointment has

been made whereby Lord Long is to take an active interest in raising funds both in London and the provinces, in order to provide a guaranteed income of £150,000 a year for the next five years. The scope of the activities of our organisation is limited by the monies that are available and the Finance Committee are exploiting every avenue to increase subscriptions and donations."

Lord Long\* was educated at Harrow, was two years in the City, then the first World War; a short time as Tory M.P. (1927-31); figured prominently in the West Wilts Constitutional Associations; was in the second World War. He is now only eight years older than the century and lives at Steeple Ashton Manor, Trowbridge, and belongs to the Carlton and Pratts. His recreations are huntin', shootin' and cricket.

The Honorary President of the Aims of Industry (June 1949) is Lord Perry of Ford Motor Co. Ltd., National Provincial Bank, etc. The President of the Council is Sir George Nelson (English Electric Co. Ltd.) and the Council consists of S. B. Askew, who is on Ranks Ltd., the flour millers, and 49 other companies; G. F. Earle (Associated and British Portland Cement Manufacturers Ltd.); L. S. Hargreaves (Aerialite Ltd., cablemakers and six others); J. D. Lyle of Tate & Lyle Ltd.; Sir Malcolm McAlpine (Sir Robert McAlpine & Sons, contractors, and Dorchester Hotel Ltd.); A. G. Mobbs (Slough Estates Ltd.); J. Arthur Rank (Ranks, Odeon Theatres Ltd. and associated companies, Eagle Star Insurance Co. Ltd.); H. G. Starley; Sir George Usher (Aberdare Cables Ltd., Firestone Tyre & Rubber Co. Ltd., International Combustion Ltd. and eight others); Garfield Weston (of the biscuit combine, Allied Bakeries, etc.); and J. C. Wooler.

Aims of Industry in 1949 reckons to get an income of £150,000 a year for the next five years, plus such items as the "special Fund set up in conjunction with Messrs. Tate & Lyle Ltd. to run their anti-nationalisation campaign."

"Aims of Industry are now well organised to carry out campaigns of a similar nature for any industry who may want to take protective action." (Annual Report, 1948.)

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But rebellious blood still runs in the nephew's veins, or why does he approve of the Jamaican Bustamente (*Voice of Industry*, August 1949) when he speaks of calling a "general strike" if the nationalisation of Tate & Lyle goes through?



## APPENDIX

Some of the representatives or nominees of the F.B.I. on Government or other outside Committees. (From F.B.I. Annual Report, 1948.)

Sir Graham Cunningham	...	Property corporations and safety glass.
Sir William Coates	...	I.C.I.
Sir Greville Maginness	...	Machine Tools, Tube Investments Ltd., Roneo Ltd.
J. W. Howlett	...	Piston Rings.
Col. Sir Gerald Bruce	...	Solicitor, insurance, brewers, development Cos.
Capt. H. L. Davies	...	Steel Co. of Wales.
G. B. King	...	Needles and fish-hooks.
C. S. Newton	...	Carpet trades.
J. D. Greenwood	...	Barlow Beothal & Greenwood (Hldgs.).
L. E. Mather	...	Mather & Platt Ltd., Lancashire Steel Corpn.
C. Connell	...	Bolts and nuts.
R. A. Cookson	...	Coal, power, lead, Wm. Benson & Sons.
F. S. Fletcher	...	Tees Side Bridge & Engineering Works Ltd.
J. Ramsay Gebbie	...	William Doxford & Sons.
John Green, J.P.	...	Thos. Firth & John Brown, etc.
Sir Henry Price	...	Prices (Tailors) Ltd.
J. T. Graham	...	Worthington-Simpson Ltd.
W. Sutton	...	Resistoid Ltd.
S. O. Chivers	...	Chivers & Sons Ltd.
G. Ingram	...	J. G. Ingram & Sons Ltd.
C. Dickson	...	British Law Insurance Co. Ltd.
W. Lines	...	Lines Bros., Hamleys (toys).
C. F. Merriam	...	B.X. Plastics, Distillers Co., etc.
V. A. Patterson	...	J. & E. Hall Ltd.
L. C. Gamage	...	General Electric Co. Ltd., electric supply C
R. E. Handford	...	George Kent Ltd.
Sir C. Tennyson	...	Chas. Macintosh & Co.
W. W. Evans	...	Bisichi Tin Co. (Nigeria).
C. K. F. Hague	...	Babcock & Wilcox, etc.
W. H. Pilkington	...	Pilkington Bros. (glass combine).
A. G. Stewart	...	Stewarts & Lloyds Ltd., etc.
D. W. L. Menzies	...	Castings and hosiery.
Sir Ewart Smith	...	I.C.I.
Leslie Ellwood	...	African & Eastern Trade Corporation.
Hon. Angus Campbell...	...	Waring & Gillows, Forbes, Campbell & Co. etc.
Sir Alexander Ramsay	...	Engineering & Allied Employers' Federation
P. H. Muirhead	...	Vickers-Armstrong Ltd.
F. D. A. Herbert	...	William Hollins & Viyella.
Sir Herman Lebus	...	Harris Lebus Ltd. (furniture).
H. C. I. Rogers	...	Imperial Tobacco Co.
H. V. Slade	...	Garrard Engineering & Manufacturing Co.
W. F. Brazener	...	The Mint, Birmingham Ltd.
J. E. Pedder	...	Courtaulds.
P. A. Carne	...	Director of Lever subsidiaries.
W. D'Arcy Madden	...	Hick, Hargreaves & Co. (Engineering).

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R. A. Cooks  
F. S. Fletcher  
J. Ramsay G

John Gred

Sir Henry

J. T. Gra

W. Sutton

S. O. Chi

G. Ingran

C. Dickso

W. Lines

C. F. Me

V. A. Pa

L. C. G

R. E. Ha

Sir C. Te

W. W. F

C. K. F

W. H. I

A. G. S

D. W. L

Sir Ewar

Leslie El

Hon. An

Sir Alex

P. H. M

F. D. A

Sir Hern

H. C. I

H. V. S

W. F. B

J. E. Pe

P. A. C

W. D'A

HX 632 A1 W9 no.1215

World communism in the 20th century.

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# THE MONEY BEHIND . . .

THIS IS AN ACCOUNT OF  
BIG BUSINESS ORGANISATION  
IN THIS COUNTRY. THE MEN  
WHO RUN THE INDUSTRIAL  
EMPLOYERS' CO-ORDINATING BODY  
ARE DESCRIBED. SO ARE  
THE TWO BODIES: "THE ECONOMIC  
LEAGUE" AND "AIMS OF INDUSTRY."  
BUT NEED WE HAVE SAID ANY MORE  
THAN THE POET OF THEIR DECADE—  
T. S. ELIOT?

*" . . . but there is no competition—*

*There is only the fight to recover what has been lost  
And found and lost again and again : and now under conditions  
That seem unpropitious. But perhaps neither gain nor loss.  
For us, there is only the trying. The rest is not our business."*

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